

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:

**AGWAY FARM & HOME SUPPLY, LLC<sup>1</sup>**

Debtor.

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)  
) Chapter 11  
)  
) Case No. 22-10602 (JKS)  
)  
)  
)  
) Obj. Deadline: November 7, 2022 at 4:00 pm (ET)  
)

**SUMMARY COVER SHEET TO THE SECOND MONTHLY FEE APPLICATION  
OF FTI CONSULTING, INC.,  
FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES  
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD  
SEPTEMBER 1, 2022 THROUGH SEPTEMBER 30, 2022**

Name of Applicant:	FTI Consulting, Inc.
Authorized to provide professional services to:	Official Committee of Unsecured Creditors
Date of Retention:	September 15, 2022, effective as of July 26, 2022
Period for which compensation and reimbursement are sought:	September 1, 2022, through September 30, 2022
Amount of compensation sought as actual, reasonable, and necessary:	\$21,131.20 (80% of \$26,414.00)
Amount of expense reimbursement sought as actual, reasonable, and necessary:	\$0.00
This is an:	<u>  X  </u> monthly <u>    </u> interim <u>    </u> final application.

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<sup>1</sup> The last four digits of the Debtor's federal tax identification number are 1247. The Debtor's address is 6606 W. Broad Street, Richmond, VA 23230.

**COMPENSATION BY TIMEKEEPER**

<b>Professional</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Zucker, Clifford	Senior Managing Director	\$1,200	4.3	\$5,160.00
Eldred, John	Managing Director	880	2.5	2,200.00
Ganti, Narendra	Managing Director	920	14.8	13,616.00
Addicks, Michael	Consultant	395	12.4	4,898.00
Hellmund-Mora, Marili	Manager	300	1.8	540.00
<b>GRAND TOTAL</b>			<b>35.8</b>	<b>\$26,414.00</b>

**COMPENSATION BY PROJECT CATEGORY**

<b>Task Code</b>	<b>Task Description</b>	<b>Total Hours</b>	<b>Total Fees</b>
1	Current Operating Results & Events	9.6	\$4,838.50
2	Cash & Liquidity Analysis	6.1	5,230.50
4	Trade Vendor Issues	0.7	644.00
6	Asset Sales	10.8	10,384.00
13	Analysis of Other Miscellaneous Motions	0.6	552.00
18	Potential Avoidance Actions & Litigation Matters	2.5	2,200.00
19	Case Management	2.2	869.00
21	General Meetings with Committee & Committee Counsel	0.7	840.00
24	Preparation of Fee Application	2.6	856.00
<b>GRAND TOTAL</b>		<b>35.8</b>	<b>\$26,414.00</b>

**SUMMARY OF EXPENSES**

<b>Expense Type</b>	<b>Amount</b>
<b>Total</b>	<b>\$0.00</b>

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

**AGWAY FARM & HOME SUPPLY, LLC<sup>1</sup>**

Debtor<sup>2</sup>

)  
) Chapter 11  
)  
) Case No. 21-10602 (JKS)  
)  
)  
)  
) **Obj. Deadline: November 7, 2022 at 4:00 pm (ET)**  
)

**SECOND MONTHLY FEE APPLICATION OF FTI CONSULTING, INC.,  
FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES  
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD  
SEPTEMBER 1, 2022 THROUGH SEPTEMBER 30, 2022**

Pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-2 of the Bankruptcy Local Rules of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the “Administrative Order”) [D.I. 114], the consulting firm FTI Consulting, Inc., together with its wholly owned subsidiaries (“FTI”), as financial advisor to the Official Committee of Unsecured Creditors (the “Committee”) appointed in these chapter 11 cases, hereby submits this *First Monthly Fee Application of FTI Consulting, Inc., Financial Advisor to the Official Committee of Unsecured Creditors, for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred for the Period September 1, 2022 to September 30, 2022* (the “Application Period”).

**BACKGROUND**

<sup>1</sup> The last four digits of the Debtor’s federal tax identification number are 1247. The Debtor’s address is 6606 W. Broad Street, Richmond, VA 23230.

1. On July 5, 2022 (the “Petition Date”), the Debtor commenced these chapter 11 cases by filing petitions for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”).

2. On July 18, 2022, the U.S. Trustee appointed an Official Committee of Unsecured Creditors [D.I. 63]. At the formation meeting the Committee selected Pachulski Stang LLP as its counsel. On July 27, 2022, the Committee selected FTI as its financial advisor. The Committee consists of the following seven members:

- a) The Scotts Company, LLC;
- b) Animal Health International, Inc.;
- c) Wildlife Sciences, LLC;
- d) Capital Forrest Products;
- e) Gallagher North America, Inc.;
- f) Hub Group, Inc.; and
- g) American Wood Fibers, Inc.

3. On September 15, 2022, the Court entered the *Order Authorizing Retention of FTI Consulting, Inc. as Financial Advisor for the Official Committee of Unsecured Creditors* [D.I. 195] (the “Retention Order”).

#### **RELIEF REQUESTED**

4. FTI submits this Fee Application pursuant to the Bankruptcy Rules, the Administrative Order, and the Retention Order. By this Fee Application, FTI seeks interim allowance of compensation for actual and necessary professional services rendered in the amount of \$21,131.20 for the Application Period (80% of \$26,414.00 total fees), and \$0.00 of actual and necessary expenses incurred, for a total compensation of \$21,131.20 in accordance with the terms of the Administrative Order. FTI reserves the right to request, in subsequent fee applications, reimbursement of any additional expenses incurred during the Application Period, as such

expenses may not have been captured in FTI's billing system as of the date of filing this Fee Application.

### **SUMMARY OF FEES**

5. The total number of hours expended by FTI professionals and paraprofessionals in performing professional services for the Committee during the Application Period was 35.8 hours. Pursuant to the Retention Order, FTI is entitled to monthly compensation for its services provided to the Committee at its current hourly rates, plus reimbursement of necessary out of pocket expenses.

6. Services rendered by (i) each professional and paraprofessional, (ii) a summary of the time incurred by task, (iii) detailed time entries during the Application Period, (iv) summary of the expenses incurred by task, and (v) detailed expense entries are attached hereto as **Exhibit A, Exhibit B, Exhibit C, Exhibit D, and Exhibit E**, respectively. The following paragraphs describe the primary services rendered by FTI during the Application Period.

#### ***Code 1 – Current Operating Results & Events (9.6 hours)***

7. During the Application Period, FTI reviewed the Debtor's financial information, including P&L, balance sheet, and other data. As part of this review, FTI analyzed the Debtor's June Monthly Operating Report ("MOR"). This was necessary to better understand the Debtor's current financial situation, as well as their historical profitability and asset composition.

#### ***Code 2 – Cash and Liquidity Analysis (6.1 hours)***

8. During the Application Period, FTI monitored the Debtor's liquidity position and performed diligence on the Debtor's 13-week cash flow forecasts and weekly budget to actual variances. As part of this diligence, FTI corresponded with Debtor's advisors in order to understand the underlying drivers of the budget, key budget assumptions, and explanations for significant weekly budget-to-actual variances. FTI prepared and distributed weekly reports to the

Committee summarizing and analyzing the details of the 13-week cash flow forecasts, which are refreshed every week, as well as actual results compared to budget in order to keep the Committee informed of the Debtor's current and projected liquidity position

***Code 4 – Trade Vendor Issues (0.7 hours)***

9. During the Application period, FTI reviewed and analyzed the central vendor motion.

***Code 6 – Asset Sales (10.8 hours)***

10. During FTI reviewed and assessed inventory, intellectual property, and liquidation sale proposals.

***Code 13 – Analysis of Miscellaneous Motions (0.6 hours)***

11. Time in this code includes analysis of various first day motions including, among others, critical vendor, professional retention applications, and lease rejection motions.

***Code 18 – Potential Avoidance Actions & Litigation Matters (2.5 hours)***

12. During the Statement Period, FTI professionals reviewed documents and issues relating to the depositions of a number of parties-in-interest in this case.

***Code 19 – Cash Management (2.2 hours)***

13. Work in this area included review and development of case strategy, overall work plan development, and management of critical tasks and key case issues in connection with our role as financial advisor to the Committee.

***Code 21 – General Meetings with Committee & Committee Counsel (0.7 hours)***

14. Work in this area included participation in periodic calls with the Committee and its counsel to discuss case strategy and status, current financial and operational results, the Debtor's corporate structure, interrelationships among the Debtor and certain non-debtors, preliminary understanding of claims, pending motions and various other case issues



*Code 24 – Preparation of Fee Application (2.6 Hours)*

15. During the Application period FTI prepared the July-August Fee Application.

**CONCLUSION**

WHEREFORE, FTI respectfully requests an interim allowance of compensation for professional services rendered as financial advisor to the Committee during the Application Period in the amount of \$21,131.20 (80% of \$26,414.00 total fees), and \$0.00 for actual and necessary expenses incurred, for a total compensation of \$21,131.20 pursuant to the Administrative Order, and such other and further relief that the Court deems just and proper.

Dated: October 28, 2022

FTI CONSULTING, INC.

By: /s/ Cliff Zucker

Cliff Zucker

1166 Ave of the Americas, 15<sup>th</sup> Floor

New York, NY 10036

Telephone: 212-841-9355

E-mail: cliff.zucker@fticonsulting.com

Financial Advisors to the Official  
Committee of Unsecured Creditors of  
Agway Farm & Home Supply, LLC

**VERIFICATION PURSUANT TO DEL. BANKR. L.R. 2016-2(g) AND 28 U.S.C. § 1746**

I, Cliff Zucker, pursuant to 28 U.S.C. § 1746, to the best of my knowledge and belief, and after reasonable inquiry, declare as follows:

1. I am a Senior Managing Director with the consulting firm FTI Consulting, Inc., together with its wholly owned subsidiaries (“FTI”). FTI has rendered professional services to the Official Committee of Unsecured Creditors (the “Committee”) in these Chapter 11 cases.

2. I have read the foregoing statement of FTI for compensation and reimbursement of expenses (the “Fee Application”). To the best of my knowledge, information and belief formed upon the basis of my participation in this case, as well as after reasonable inquiry, the facts set forth in the foregoing Fee Application are true and correct and materially comply with the applicable orders, rules, guidelines, and requirements as set forth by the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, Del. Bankr. L.R. 2016-2, and the Executive Office for the United States Trustee.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct, to the best of my information, knowledge, and belief.

Executed on: October 28, 2022

FTI CONSULTING, INC.

By: /s/ Cliff Zucker

Cliff Zucker

1166 Ave of the Americas, 15<sup>th</sup> Floor

New York, NY 10036

Telephone: 212-841-9355

E-mail: cliff.zucker@fticonsulting.com

Financial Advisors to the Official  
Committee of Unsecured Creditors of  
Agway Farm & Home Supply, LLC

**EXHIBIT A**  
**AGWAY FARM & HOME SUPPLY, LLC - CASE NO. 22-10602**  
**SUMMARY OF HOURS BY PROFESSIONAL**  
**FOR THE PERIOD SEPTEMBER 1, 2022 TO SEPTEMBER 30, 2022**

<b>Professional</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Zucker, Clifford	Senior Managing Director	\$1,200	4.3	\$5,160.00
Eldred, John	Managing Director	880	2.5	2,200.00
Ganti, Narendra	Managing Director	920	14.8	13,616.00
Addicks, Michael	Consultant	395	12.4	4,898.00
Hellmund-Mora, Marili	Manager	300	1.8	540.00
<b>GRAND TOTAL</b>			<b>35.8</b>	<b>\$26,414.00</b>

**EXHIBIT B**  
**AGWAY FARM & HOME SUPPLY, LLC - CASE NO. 22-10602**  
**SUMMARY OF HOURS BY TASK**  
**FOR THE PERIOD SEPTEMBER 1, 2022 TO SEPTEMBER 30, 2022**

<b>Task Code</b>	<b>Task Description</b>	<b>Total Hours</b>	<b>Total Fees</b>
1	Current Operating Results & Events	9.6	\$4,838.50
2	Cash & Liquidity Analysis	6.1	5,230.50
4	Trade Vendor Issues	0.7	644.00
6	Asset Sales	10.8	10,384.00
13	Analysis of Other Miscellaneous Motions	0.6	552.00
18	Potential Avoidance Actions & Litigation Matters	2.5	2,200.00
19	Case Management	2.2	869.00
21	General Meetings with Committee & Committee Counsel	0.7	840.00
24	Preparation of Fee Application	2.6	856.00
<b>GRAND TOTAL</b>		<b>35.8</b>	<b>\$26,414.00</b>

**EXHIBIT C**  
**AGWAY FARM & HOME SUPPLY, LLC - CASE NO. 22-10602**  
**DETAIL OF TIME ENTRIES**  
**FOR THE PERIOD SEPTEMBER 1, 2022 TO SEPTEMBER 30, 2022**

<b>Task Category</b>	<b>Date</b>	<b>Professional</b>	<b>Hours</b>	<b>Activity</b>
1	9/1/2022	Addicks, Michael	2.6	Create update for UCC on company performance and liquidation process.
1	9/8/2022	Addicks, Michael	2.3	Create update for UCC with auctioneer and liquidator proposals as well as actual performance and liquidity measures.
1	9/15/2022	Addicks, Michael	1.3	Review Agway Budget versus actual performance for prior week.
1	9/16/2022	Addicks, Michael	2.1	Create case update for distribution to UCC on 9/16.
1	9/16/2022	Zucker, Clifford	0.4	Review and analysis of financial update to the committee.
1	9/22/2022	Zucker, Clifford	0.5	Review and analysis of weekly financial activity.
1	9/29/2022	Zucker, Clifford	0.4	Review and analysis of budget activity.
<b>1 Total</b>			<b>9.6</b>	
2	9/1/2022	Addicks, Michael	0.7	Analyze budget versus actual performance for the prior week.
2	9/1/2022	Ganti, Narendra	0.5	Review budget to actual for cash flows.
2	9/2/2022	Ganti, Narendra	0.7	Review and revise update to Committee.
2	9/8/2022	Addicks, Michael	0.4	Analysis of budget versus actual performance for week ended 9/2.
2	9/8/2022	Ganti, Narendra	0.5	Review budget to actuals.
2	9/8/2022	Ganti, Narendra	0.5	Call with M. Grau, Focus Management, to discuss budget to actual.
2	9/8/2022	Zucker, Clifford	0.3	Review and analysis of budget/actual activity.
2	9/9/2022	Ganti, Narendra	0.6	Review update to committee on cash flow.
2	9/15/2022	Ganti, Narendra	0.5	Review budget to actuals.
2	9/15/2022	Zucker, Clifford	0.4	Review and analysis of revised wind down budget.
2	9/16/2022	Ganti, Narendra	0.5	Review budget to actual update to committee.

**EXHIBIT C**  
**AGWAY FARM & HOME SUPPLY, LLC - CASE NO. 22-10602**  
**DETAIL OF TIME ENTRIES**  
**FOR THE PERIOD SEPTEMBER 1, 2022 TO SEPTEMBER 30, 2022**

<b>Task Category</b>	<b>Date</b>	<b>Professional</b>	<b>Hours</b>	<b>Activity</b>
2	9/22/2022	Ganti, Narendra	0.5	Review budget to actuals.
<b>2 Total</b>			<b>6.1</b>	
4	9/2/2022	Ganti, Narendra	0.7	Review documentation related to Premier Tech.
<b>4 Total</b>			<b>0.7</b>	
6	9/2/2022	Ganti, Narendra	0.7	Call with C. Klaus to discuss status of liquidator bids.
6	9/2/2022	Ganti, Narendra	0.8	Review APA motion.
6	9/8/2022	Ganti, Narendra	0.5	Call with J. Quickel, CEO, to discuss sale process and budget.
6	9/8/2022	Ganti, Narendra	1.0	Review proposals from liquidators for inventory and equipment sale.
6	9/8/2022	Zucker, Clifford	1.4	Review and analysis of auctioneer proposals.
6	9/9/2022	Ganti, Narendra	0.5	Call with Debtor, Hilco, and Pachulski to discuss IP sale.
6	9/12/2022	Ganti, Narendra	0.5	Call with J. Quickel and C. Klaus to discuss inventory and equipment liquidation.
6	9/12/2022	Ganti, Narendra	0.3	Review comparison of liquidator bids.
6	9/14/2022	Ganti, Narendra	0.5	Review liquidator bids analysis.
6	9/14/2022	Ganti, Narendra	1.0	Review IP financial analysis.
6	9/15/2022	Zucker, Clifford	0.2	Review correspondence counsel on auctioneers.
6	9/16/2022	Ganti, Narendra	0.6	Call with J. Quickel, CEO, C. Klaus, ABC Services, and M. Addicks, FTI, to discuss liquidator bids.
6	9/16/2022	Ganti, Narendra	0.3	Call with C. Robinson. Pachulski, to discuss budget and liquidators.
6	9/19/2022	Ganti, Narendra	0.5	Call with C. Klaus, ABC Services, to discuss liquidator bids.
6	9/28/2022	Ganti, Narendra	0.5	Call with J. Quickel, CEO, to discuss IP sale, Inventory sales.

**EXHIBIT C**  
**AGWAY FARM & HOME SUPPLY, LLC - CASE NO. 22-10602**  
**DETAIL OF TIME ENTRIES**  
**FOR THE PERIOD SEPTEMBER 1, 2022 TO SEPTEMBER 30, 2022**

<b>Task Category</b>	<b>Date</b>	<b>Professional</b>	<b>Hours</b>	<b>Activity</b>
6	9/29/2022	Ganti, Narendra	0.5	Call with Pachulski and Hilco to discuss IP sale.
6	9/29/2022	Ganti, Narendra	0.5	Call with J. Quickel, CEO, C. Klaus, ABC Services, and R. Kanit, Hilco, to discuss IP sale process.
6	9/30/2022	Ganti, Narendra	0.5	Call with R. Kanit, Hilco, and C. Robinson, Pachulski, to discuss IP sale.
<b>6 Total</b>			<b>10.8</b>	
13	9/2/2022	Ganti, Narendra	0.6	Review secured inventory claim by vendor and call to J. Quickel.
<b>13 Total</b>			<b>0.6</b>	
18	9/23/2022	Eldred, John	2.5	Review Agway debtor production and collect evidence of insolvency.
<b>18 Total</b>			<b>2.5</b>	
19	9/2/2022	Addicks, Michael	2.2	Index and review diligence request documents.
<b>19 Total</b>			<b>2.2</b>	
21	9/6/2022	Zucker, Clifford	0.4	Review and analysis of correspondence counsel on cash issues and status.
21	9/12/2022	Zucker, Clifford	0.3	Review and analysis of correspondence from counsel on issues.
<b>21 Total</b>			<b>0.7</b>	
24	9/19/2022	Hellmund-Mora, Marili	0.7	Incorporate updates to the July-August fee application exhibits.
24	9/21/2022	Hellmund-Mora, Marili	1.1	Prepare the September fee application.
24	9/22/2022	Addicks, Michael	0.8	Review and edit the July-August fee application.
<b>24 Total</b>			<b>2.6</b>	
<b>Grand Total</b>			<b>35.8</b>	

**EXHIBIT D**  
**AGWAY FARM & HOME SUPPLY, LLC - CASE NO. 22-10602**  
**SUMMARY OF EXPENSES**  
**FOR THE PERIOD SEPTEMBER 1, 2022 TO SEPTEMBER 30, 2022**

<b>Expense Type</b>	<b>Amount</b>
<b>Total</b>	<b>\$0.00</b>